



Row 2 = File Sum Co. Oljeto Mine

DIVISION OF STATE LANDS & FORESTRY
DEPARTMENT OF NATURAL RESOURCES
ROOM 411 EMPIRE BUILDING
231 EAST 400 SOUTH
SALT LAKE CITY, UTAH 84111
(801) 533-5381

Scott M. Matheson
Governor *SM*

Gordon E. Harmston *MA*
Executive Director
Dept. of Natural Resources *DWH*

William K. Dinehart
Director

February 13, 1981

ACT/037/029

CERTIFIED NO. 363743

Plateau Resources Ltd.
772 Horizon Drive
Grand Junction, CO
81501

ATTENTION: DENNIS D. WILLIS

Gentlemen:

RE: ML 33315 - Metalliferous Minerals

In its meeting of February 11, 1981, the Land Board acknowledged the cessation order recently issued by the Division of Oil, Gas, and Mining against operations being conducted by your sublessee on this lease. In view of efforts now initiated by the Sum Company to comply with the Utah Mined Land Reclamation Act, the Land Board deferred possible termination of the lease for 60 days, pending the outcome of such efforts. Please be advised, however, that any continuation of mining on this property in defiance of the cessation order or the Mined Land Reclamation Act may result in immediate termination of the lease and forfeiture of the Plateau Resources Statewide bond for damages.

With respect to the subject of bonding, please immediately send me a letter of your understanding that the Plateau Resources Statewide Bond No. M040243, presently on file with the Division of State Lands, will apply toward the performance of your sublessee under terms and conditions of ML 33315. Otherwise, in accordance with Article IV, Paragraph 7 of our lease agreement, please submit a bond in the amount of \$10,000 within 30 days to cover operations conducted under ML 33315.

BOARD MEMBERS

Warren C. Haycock Chairman
Northern

Dr. Walter D. Talbot
ex-officio

Jack Sawyers
Southwestern

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Eastern Area

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Forestry & Fire

Paul S. Rattle
Southeastern

Margaret Bird
Central

Plateau Resources Ltd.
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I trust that we may successfully resolve these matters to our mutual benefit and see a productive and lawful mining operation conducted on this property in the near future.

Sincerely yours,

JOHN T. BLAKE
MINERAL RESOURCES SPECIALIST

bp

CC The Sum Company
2049 Murphy Lane
Moab, UT 84532

Ann Stirba, Assistant Attorney General

Jim Smith, Division of Oil, Gas, and Mining